

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW MEXICO**

In re

Seth Warren Heath
Shirley Kai Heath

Debtors.

No. 13-11-12983-JA

**DEBTORS' FIRST MODIFICATION TO THEIR
CHAPTER 13 PLAN FILED JULY 13, 2011**

COME NOW the Debtors under 11 U.S.C. §1323, and hereby propose a modification to their Chapter Thirteen Plan as follows:

4.4 Treatment of Claims For purposes of the plan, the treatment of each claim is specified below. Treatment shall be one of the following:

- (1) **Direct** – direct payment by the debtor under the terms of the original agreement between the debtor and the creditor;
- (2) **In full** – payment in full of the allowed secured claim by the chapter 13 trustee through the plan;
- (3) **Bifurcate** – payment of the value of the collateral by the chapter 13 trustee through the plan based on the outcome of a separate motion to value the collateral which the debtor shall file, with the balance of the claim to be treated as a non-priority unsecured claim;
- (4) **Surrender** – debtor will surrender the collateral (see section 4.4.1 below); or
- (5) **Avoidance** – debtor shall file a separate motion to avoid lien.
- (6) **Other** – see section 10 or section 12 below

<u>Creditor</u>	<u>Collateral</u>	<u>Estimated Value of Collateral</u>	<u>Estimated Claim Amt</u>	<u>Treatment</u>	<u>Interest Rate</u>	<u>Protection/Equal Monthly Payments Y/N</u>
1. GE Money Bank	2008 Kawasaki KLR650 Motorcycle	\$ 499.00	\$ 5,000.00	Surrender	N/A	N
2. SunTrust Mortgage (Second Mortgage)	Residence 70 Lagarto Road, Tijeras, NM	\$195,000.00	\$ 45,000.00	Direct	3.999%	N
3. Wells Fargo Home Mortgage (First Mortgage)	Residence 70 Lagarto Road, Tijeras, NM	\$195,000.00	\$123,468.00	Direct	5.675%	N
4. Bank of Oklahoma (First Mortgage)	Property 9738 Morrow N.E., Albuquerque, NM Property was transferred to Sharon Bailey through divorce and Debtor surrenders all interest in property	\$165,000.00	\$130,000.00	Surrender	N/A	N

<u>Creditor</u>	<u>Collateral</u>	<u>Estimated Value of Collateral</u>	<u>Estimated Claim Amt</u>	<u>Treatment</u>	<u>Interest Rate</u>	<u>Protection/Equal Monthly Payments Y/N</u>
5. Bank of Albuquerque (Second Mortgage)	Property 9738 Morrow N.E., Albuquerque, NM Property was transferred to Sharon Bailey through divorce and Debtor surrenders all interest in property	\$165,000.00	\$ 21,171.00	Surrender	N/A	N

NO OTHER PROVISIONS OF THE ORIGINAL PLAN ARE AFFECTED BY THE MODIFICATION.

Date: August 23, 2011

DON PROVENCIO, P.A.

By /s/ Don Provencio, Esq.
Don Provencio, Esq.
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I hereby certify that a true copy of the foregoing was mailed, postage prepaid, to the Office of the US Trustee and Kelley L. Skehen, Standing Chapter 13 Trustee on the 23rd day of August, 2011.

/s/ Don Provencio, Esq.
Don Provencio, Esq.